

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268

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Postal Rate and Fee Changes, 1997

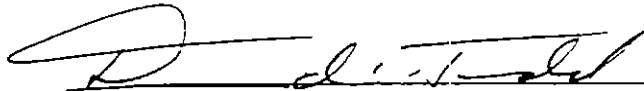
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Docket No. R97-1

FIRST SET OF INTERROGATORIES
OF THE MAIL ORDER ASSOCIATION OF AMERICA
TO USPS WITNESS ADRA
(MOAA/USPS-T-38-1-4)

Pursuant to sections 25 and 26 of the rules of practice, the Mail Order Association of America hereby submits the attached interrogatories to USPS witness Adra:
MOAA/USPS-T-38-1-4. If the designated witness is unable to respond, we request a referral to another witness in possession of the requested information.

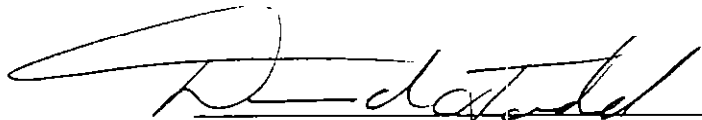
Respectfully submitted,



David C. Todd
Attorney for the
Mail Order Association of America

CERTIFICATE OF SERVICE

I hereby certify that I have on this date served the attached interrogatories upon the Postal Service and all participants requesting service in accordance with Section 25 of the rules of practice.



DATE: September 17, 1997

David C. Todd

MOAA/USPS-T-38-1 Please refer to USPS-T-38 WP BPM15

- a. Please confirm that "Nondistance - Related Transportation Costs" are distributed to each zone based on the distribution of the number of pounds of mail in the respective zone.
- b. If part a is not confirmed, please explain the basis for the distribution of "Non-distance Related Transportation Costs".
- c. If you confirm part a, please provide all source(s) supporting the relationship between non-distance related transportation costs and pounds.

MOAA/USPS-T-38-2 Please refer to USPS-T-38 WP's BPM23, 24 and 25.

- a. Please confirm that the price changes (disregarding any barcoding discount) in these three tables have the following ranges across zones and weight.

<u>Source</u> (1)	<u>Range of Price Changes</u>	
	<u>Low</u> (2)	<u>High</u> (3)
1. Single Piece USPS-T-38 BPM 23	-6.57%	19.51%
2. Bulk: Basic USPS-T-38 BPM 24	-15.39	22.89
3. Bulk: Basic USPS-T-38 BPM 25	-17.36	23.15

- b. Did you analyze the impact that price changes would have on migration within the Standard (B) Bound Printed Matter subclass?
- c. If your answer to part b is affirmative, please provide copies of any analyses that you performed or relied on.
- d. Please confirm that Dr. Tolley's volume forecast for Standard (B) Bound Printed Matter is based on the average price for the subclass.
- e. If the answer to part d is confirmed, did you analyze the impact on forecasts of volume of the deviations from the average rate that occur in many of the rate cells of Standard (B) BPM.
- f. If your answer to part e is affirmative, please provide copies of any analyses.

MOAA/USPS-T-38-3 Please refer to USPS-T-38 WP BPM 26

- a. Please confirm the TYAR forecasted volumes and weight are distributed to each zone based on the distributions of volumes and weights that occurred in FY 1996.
- b. Did you perform or rely upon any sensitivity analyses to test the impact on your methodology of temporal instability of these distributions?
- c. If your answer to part b is affirmative, please provide copies of any analyses that you performed.

MOAA/USPS-T-38-4 On page 7 of your testimony, you refer to a market survey (LR-H-163) and state: "The survey showed no growth for BPM. Thus, there should be no volume or revenue change to impact the financial analysis." (footnote omitted)

- a. Please confirm that this statement refers only to the impact of the new Delivery Confirmation Service.
- b. If you cannot confirm, please explain the adjustments to the TYAR volumes.